



Department of Justice

FOR IMMEDIATE RELEASE
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**NEW JERSEY COMPANY CHARGED WITH STEEL DRUM
PRICE FIXING AND OBSTRUCTION OF JUSTICE**

WASHINGTON, D.C. -- The Department of Justice today filed a three-count felony information charging Russell-Stanley Corporation, of Red Bank, New Jersey, with conspiring to fix prices of new steel drums offered for sale to customers in the Mid-Atlantic and Northeastern United States. Steel drums are used most frequently for packaging chemical and petroleum products.

The steel drums were offered for sale in Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, eastern New York, eastern Pennsylvania, New Jersey, Maryland, Delaware, Virginia and the District of Columbia, defined in the information as "the Eastern Region."

Count one of the information, filed in U.S. District Court in Philadelphia, Pennsylvania, charges that Russell-Stanley conspired with others, in violation of Section 1 of the Sherman Act, to fix prices of new steel drums beginning sometime prior to April 1, 1986, and continuing at least through March 1990.

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Count two of the information charges Russell-Stanley with mail fraud, in violation of Title 18, U.S. Code, Section 1341, in connection with the fraudulent price-fixing scheme.

Count three of the information charges that Russell-Stanley obstructed justice, in violation of Title 18, U.S. Code, Section 1503, by withholding and destroying documents called for by a subpoena issued by a District of Columbia grand jury investigating the metal container industry.

John Clark, Acting Assistant Attorney General in charge of the Antitrust Division, said the charges resulted from grand jury investigations in Washington, D.C., Chicago, Illinois, and Philadelphia, Pennsylvania, into price fixing in the metal container industry.

The investigations are being conducted by the Antitrust Division's Litigation I Section in Washington D.C., with the assistance of the Federal Bureau of Investigation, and are continuing.

The maximum penalty for a corporation convicted under the Sherman Act for a violation occurring prior to November 16, 1990, is a fine that is the greatest of \$1 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for a corporation convicted under the mail fraud statute is a fine that is the greatest of \$500,000,

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twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

The maximum penalty for a corporation convicted under the obstruction of justice statute is a fine that is the greatest of \$500,000, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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